Per capita consumption of Petroleum Products

693. SHRI T. R. BALU:
SHRI V. GOPALSAMY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what are the reasons for the latest increase in the price of petrol;

(b) what was the contribution of Petroleum Sector to the Central and State Governments in financial terms in 1986-87; and

(c) what is the per capita consumption of petroleum products in India?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI RAFIQUE ALAM): (a) The price rise was resorted to curb the rapid rise in petrol consumption and promote its efficient and economic use.

(b) The contribution of petroleum sector in financial terms to the central and state Governments during 1986-87 was as follows:—

A. *Contribution in the Central Exchequer*	(Rs. in crores)
(i) Cess on indigenous crude oil	893
(ii) Royalty	932
(iii) Dividend paid to Govt. of India	82
(iv) Sales tax	26
(v) Central excise duty	2783
(vi) Customs duty	1202
(vii) Corporation tax	868
	6786
B. *Contribution to State's Exchequer*	
(i) Sales tax	1676
(ii) Royalty	259
(iii) Others	35
	1970

(c) The estimated per capita consumption of selected petroleum products in India during 1986-87, on a provisional basis was as follows :—

(Qty. in Kgs.)

Product	1986-87 (Provisional)
Naphtha	4.2
M.S.	3.2
SKO	8.6
HSDO	20.6
LDO	1.5
F.O. (Regular)	4.8
LSHS/H.H.S.	5.5

Import of crude oil

694. SHRI J. P. GOYAL:
SHRI VIRENDRA VERMA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government have recently entered into an agreement for the import of crude oil from the Soviet Union;

(b) if so, what are the details thereof;

(c) what are the other sources from where crude oil is proposed to be imported by Government stating the quantity (with value) of crude oil proposed to be imported from each of these sources;

(d) what is the percentage increase of imports of crude oil during 1987 as against the percentage increase in its indigenous production during the year and what is the gap between demand and supply of crude oil at the end of 1987;

(e) what measures have been taken by Government to augment the indigenous production of crude oil to minimise imports; and

(f) how the import of crude oil is likely to reflect on its domestic prices?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI RAFIQUE ALAM): (a) and (b) Yes, Sir. Government has recently entered into an agreement for the import of 4 million tonnes of crude oil from Soviet Union during the year 1988.

(c) The crude import plan for 1988-89 involving term and spot purchases is yet to be finalised.

(d) The percentage rise in the imports of crude oil during 1987 was 24.1 per cent as compared to that of 1986. The percentage decrease in indigenous production during this period was 3.5 per cent over 1986. The gap between demand and indigenous supply of crude at the end of 1987 was 17.3 million tonnes.

(e) The important steps, among others, taken to reduce imports are intensification of exploration efforts, curb consumption of POL, promotion of conservation through various measures etc.

(f) Under the administered pricing policy for petroleum products, prices are not generally revised with changes in international prices.

Handing over of blocks for oil exploration to foreign companies

695. SHRI SURAJ PRASAD:
SHRI N. E. BALARAM:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the highly prospective blocks in the Krishna-Godavari Basin have been handed over to the foreign multi-national oil Companies under a contract signed by Government for oil exploration with foreign companies;

(b) if so, what are the details thereof; and

(c) what was the necessity of handing over such prospective blocks to foreign oil companies when the ONGC is capable of doing it?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI RAFIQUE ALAM): (a) to (c) In order to supplement the oil exploration activities of the national oil companies, Government of India had in March, 1986, invited bids from foreign oil companies for exploration of hydrocarbons in 27 offshore blocks of India including seven in Krishna-Godavari basin.

Contracts for the following three blocks in Krishna-Godavari basin have been signed so far.

Name of Block	Name of the Signing Company
KG-OS-I	Chevron International Ltd., and Texaco Exploration India Inc.
KG-OS-VII	-Do-
KG-OS-IV	International Petroleum (Bermuda) Ltd.

The main features of these contracts are:

(i) Foreign oil companies will explore for Petroleum at their own risk and cost.

(ii) If there is a commercial discovery, ONGC will have the option to participate forty per cent in development and production of the discovery.

(iii) If ONGC decides to participate, it will contribute forty per cent of development and production costs and remaining sixty per cent will be borne by the foreign oil company.

(iv) ONGC will be entitled to the share of petroleum produced corresponding to its participation.

(v) The foreign oil company's share of oil will be available to the Government at international market price till India reaches self sufficiency.

(vi) After recovery of costs, the contractor will share Petroleum with the Government on sliding scale. Government's share of petroleum will increase as the project economic improves.